

Commonly Asked Questions

Why haven't we had sinking funds before?

Through Section 20 - we used to bill in total the cost of major works to leaseholders. We now want to provide a more effective leasehold service - this is best practice and a better way to plan for major works.

Why does Peaks & Plains want to do it now?

It should have been done historically and the new Executive team at the Trust think it is the right thing to do. It will enable leaseholders to better manage the costs related to homeownership rather than having significant peaks and troughs.

Have we not been paying them through our service charges?

No. A sinking fund contribution would be itemised separately and on your invoice/statement.

The management charge is effectively an admin fee and is charged as per your lease agreement.

What's the difference between service charge and a sinking fund charge?

Service charges relate to the services the block receives throughout the year.

A sinking fund is a fund that is built up over time from which major component replacement costs can be taken. If this fund is not set up an invoice would be sent for any major component work on completion.

How much will it cost me each month?

This will vary from block to block and will depend on when the major components in your block are due for renewal and the expected cost of those replacements.

A breakdown of any calculation will be provided by the Trust.

Will it be clear what the Sinking Fund will be used for?

Yes an annual statement will be sent detailing the movements on your sinking fund.

Is it because of cladding costs?

No. There are no issues with the cladding on the Trust's high-rise buildings.

What if I am in a position where I can't pay?

It is important that you speak to us as soon as you think you'll struggle to pay. We're here to help. The Trust will discuss payment plans if required.

Are there any major works in the pipeline?

This will vary from block to block. We'll provide information for individual blocks, along with the detailed calculations.

What's the difference between major works and day-to-day repairs?

Major works would typically be component replacement – roofs, windows, doors - where the existing component is removed and replaced with new.

Cyclical decoration of properties would also be included in this category.

Day to day repairs are unforeseen and do not result in a replacement.

Who manages the logistics of the major works?

These are managed by the Asset Team at the Trust.

How are the actual costs for replacement components worked out?

In order to work out the costs, we:

- Look at what needs replacing.
- Calculate replacement costs and lifespan of the component.
- Review funds regularly to ensure that they are sufficient.

Does Peaks & Plains pay for their part of the upkeep for the tenanted properties or does it all fall on leaseholders?

Leaseholders only pay for their share of the work. The tenanted properties share of the work is picked up by Peaks & Plains.

How can I pay?

You can pay by:

- Direct Debit. This is the easiest way to pay and can be set up on any day in the month that suits your lifestyle best. You can download our direct debit form from the website.
- By Standing Order
- At the bank
- Or by post. Only cheque payments can be made through the post.

Find more information about ways to pay on our website: www.peaksplains.org/waystopay

Struggling to pay? Please talk to us. We are here to help.

What if I overpay and the cost of work is less than expected?

Any overpayments will be left in the sinking fund - but we will be regularly reviewing the contributions and future contributions will be adjusted accordingly.

I do not want to pay these charges – who can I complain to?

You will need to go through our complaints process.

You can find our Complaints Policy on the website.

How come you chose my block to be a part of the sinking fund pilot?

The Trust chose a few properties they wanted to pilot based on the number of leaseholders in the block.